MONTANA 2020 HEMP PILOT PROGRAM PLAN

Version 1.5 - April 24, 2020

PURPOSE

This document outlines Montana's State Hemp Pilot Program procedures to license, monitor the growing locations of and regulate Montana's hemp as an agricultural crop to ensure compliance with state regulations and the 2014 Farm Bill through **October 31, 2020**. Beginning November 1, 2020, the Montana Department of Agriculture (department) will employ its Hemp Production Plan approved by the United States Department of Agriculture.

AUTHORITY

Title 80, Chapter 18, Sections 101 - 111, Montana Code Annotated, the Administrative Rules of Montana, Chapter 4.19.101 - 202, and the Agriculture Improvement Act (Farm Bill) of 2018.

TABLE OF CONTENTS

- 1. Definitions
- 2. Licensing and Fees
- 3. Reporting Requirements
- 4. Inspections and Sampling
- 5. Laboratory Testing
- 6. Invoicing for Additional Sampling and Testing
- 7. Enforcement
- 8. Disposal/Destruction of Hemp
- 9. Appendices
 - 9.1 2020 Hemp Seed/Clone Variety List
 - 9.2 Requirements for the Sale of Live Plants Policy
 - 9.3 Procedure Guidance for Sample Collection, Sample Prep and Delivery
 - 9.4 Mitigation Guidance
- 10. Forms
 - 10.1 MT Planting License Certificate
 - 10.2 MT Production License Certificate
 - 10.3 MT Hemp License Application, Stage 1, 2020
 - 10.4 MT Hemp Planting Report, Stage 2, 2020
 - 10.5 MT Hemp Variety Update
 - 10.6 MT 2019 Annual Hemp Harvest Report
 - 10.7 MT Hemp Sample Lab Report
 - 10.8 MT Hemp Sample Results Informational letter
 - 10.9 MT Hemp Sample Results Affidavit letter
 - 10.10 MT Hemp Affidavit
 - 10.11 MT Hemp Sample Results Corrective Action Plan letter
 - 10.12 MT Hemp Sample Results Disposal/Destruction letter
 - 10.13 MT Proposal of Correction/Disposal/Destruction
 - 10.14 MT Hemp Corrective Action Plan (template)
 - 10.15 MT Hemp Disposal/Destruction Witness Statement

1. DEFINITIONS

- 1. <u>Crop</u>: a group of plants in a similar stage of growth (example: plants flowering on March 1 would be a different crop than plants flowering on June 1).
- 2. <u>Outdoor Grow</u>: hemp plants grown and harvested outside under natural light conditions; for the purpose of reporting, includes plants started under greenhouse conditions and transplanted to outdoor conditions.
- 3. <u>Greenhouse Grow</u>: hemp plants started, grown and harvested inside a structure under natural light conditions.
- 4. <u>Indoor Grow</u>: hemp plants started, grown and harvested inside a structure using artificial light conditions to manipulate the flowering stage of hemp.
- 5. <u>Hemp Variety Category A</u>: varieties formally approved (produced from "certified" seed and previously grown in Montana) by the department.
- 6. <u>Hemp Variety Category B</u>: certified (but not previously grown in Montana) varieties approved by other states or countries at a level equivalent to the department's standard.
- 7. <u>Hemp Variety Category C</u>: all other hemp varieties that an applicant reasonably believes will not produce a plant with over 0.3% Total THC at any time prior to harvest and are not in Category D.
- 8. <u>Hemp Variety Category D</u>: includes all varieties forbidden by any federal law or regulation or added by rule by the Department because of its inability to consistently produce hemp.
- 9. <u>Certified</u>: as it relates to certification of seed, certification from AOSCA, OECD or another department recognized official certifying agency that the variety of hemp is true to its genetic traits and testing has been completed to determine compliance in regard to THC levels.
- 10. <u>Variety</u>: a taxonomic category that ranks below subspecies (where present) or species, its members differing from others of the same subspecies or species in minor but permanent or heritable characteristics.
- 11. <u>AOSCA</u>: The Association of Official Seed Certifying Agencies is an organization of agencies that provide internationally recognized seed certification.
- 12. <u>OECD</u>: The Organization for Economic Cooperation and Development Seed Schemes are rules used by 58 participating countries to certify and label seed for varietal purity for international movement.
- 13. <u>Measurement of Uncertainty</u>: the range of possible values within which the true value of the measurement lies.

2. LICENSING & FEES

The hemp license application period is January 15 through April 30. Licenses are valid until April 30 of the year following the year of issuance. The application, applicable documentation, and fees must be postmarked prior to the deadline in order to obtain a license. Licenses cannot be assigned or transferred.

The department issues hemp licenses in (2) two progressive stages. Upon approval of the initial application, eligible applicants will be issued a **Planting license** (see <u>Form 10.1 - MT Planting License</u> <u>Certificate</u>) so they may purchase seed or live plants and plant or propagate hemp. To receive full licensure, the applicant must submit a Planting Report confirming information about the crop that was planted. Successful candidates will be issued the second stage **Production license** (see <u>Form 10.2 - MT Production License Certificate</u>). The Production license allows for the production and harvest of compliant hemp.

Initial License Application Stage

The initial license application stage requires entity information, key participant information, verification of seed/live plant source, and crop information as outlined below. Additional requirements include payment in full of the \$850 <u>nonrefundable</u> application fee, and a signature acknowledging the Attestation Statement as well as the Risk Acknowledgment Statement.

Applicant Information:

The application (see <u>Form 10.3 - MT Hemp License Application, Stage 1, 2020</u>) must be legible and completed in its entirety. If the applicant is a business, the Business License Number on file with the Montana Secretary of State's (SOS) office must be provided as well as an EIN number. A Business Name is only required if you are licensing a registered business.

Key Participants:

List the Key Participant's full name, titles, phone numbers and emails for each person involved in the management of hemp for your operation. Key Participants are defined as "officers of the company and/or the person(s) responsible for management decisions regarding the crop" (i.e. planting date, seeding rate, pesticide or fertilizer applications, timing of harvest, etc.).

Background Checks:

Effective March 24, 2020: Due to restricted access to obtain fingerprint documentation caused by the COVID-19 emergency, the Montana Department of Agriculture waives the requirement for FBI Identity History Summary documentation for all 2020 hemp license applicants and Key Participants. This does not exempt applicants from the federal requirement of having no prior convictions of felony drug charges in the last 10 years.

Seed/Live Plant Source and Verification:

All varieties that meet the definitions of Category A, B, or C are allowed for planting. See <u>Appendix 9.1 - 2020 Hemp Seed/Clone Variety List</u> for information regarding Montana's hemp variety classifications. Each variety of hemp will be reviewed by the department prior to issuance of the hemp license. The application must include for <u>each</u> variety the name and license number of the seed provider or nursery, and an indication of purchase: Seed or Live Plants. A copy of the seed label is required for each Category A and B variety. For Category C varieties, a copy of the seed label or the Certificate of Analysis (COA) is required.

The person providing seed and/or live plants to the grower must be licensed to distribute into the state. Seed providers must be licensed in Montana; nurseries must be licensed in their resident state. Growers who purchase live plants must submit a copy of the provider's resident state nursery license and hemp license and verification of variety (nursery label, seed label or COA).

Crop Information:

The primary market, number of varieties and the associated quantity of grow area (i.e., acres, sq. ft. or plants) must be listed for each grow type (Outdoor, Greenhouse and/or Indoor).

<u>Attestation Statement/Risk Acknowledgement:</u>

The applicant's signature is required.

Fees:

The fees collected must be commensurate with operating the program. All fees must be deposited to the credit of the state special revenue fund for use by the department for administering and enforcing the program.

A check, money order or credit/debit card payment for \$850 must be submitted along with the application. Applicants who plant any Category C varieties must submit additional fees due along with their Planting Report in the second stage of the hemp license process.

Application Submission:

Applications may be submitted online or mailed to Montana Department of Agriculture-Hemp Program, PO Box 200201, Helena, MT 59620-0201. Applications will not be processed until all required information is received.

Second License Application Stage

To receive full licensure, the applicant <u>must submit</u> a Planting Report (see <u>Form 10.4 - MT Hemp</u> <u>Planting Report, Stage 2, 2020</u>) confirming final information about the planted crop. Successful candidates will be issued the **Production license**, allowing for the production and harvest of compliant hemp, and providing verification of location(s) and variety(s) of hemp for growing, transporting and for sale purposes.

Required Planting Report information:

- 1. Variety Listed separately by Lot
- 2. Latitude/Longitude of the Lot or structure
- 3. Aerial Maps
 - i. An overview map <u>must</u> be included that shows all locations relative to each other and the nearest municipality.
 - ii. A separate map <u>must</u> be included showing the boundaries of the Lot(s), and identifying the Lot number, variety and the grow area size for each Lot.
 - iii. For multiple Lots contained in a greenhouse or indoor structure, the map need only identify the location of the structure.
- 4. Quantity of Growing Area Listed as: Acres for Outdoor, Sq. Ft. for Greenhouse and number of Plants for Indoor grows.
- Estimated Harvest Date Specify the estimated date of harvest. The department <u>must</u> sample within a 3-week period prior to harvest. Compliant sample results are required for the sale of Category C varieties.
- 6. Landowner Name/Signature Printed names and signatures are required of each legal landowner (or an authorized agent) for each property used to grow hemp, including land owned by the license holder. Rented or leased property must have the actual landowner signature.

Planting Report due dates:

- 1. Outdoor crops within 4 weeks of seeding or planting, but no later than July 15.
- 2. Greenhouse and Indoor crops within 4 weeks of seeding, planting, propagation, or receipt of live plants.

Greenhouse and Indoor Grow Submission Requirements:

Growers with multiple crops per year must submit a Planting Report for <u>each crop</u>. Plants not intended to be harvested must also be reported, including mother plants or any clones/live plants intended to be sold.

Fees:

Fees for routine sampling and testing of Category A and B varieties are included in the licensing fees.

Sampling and testing costs for crops of Category C varieties require additional fees. Growers who plant a Category C variety must submit a \$250 planting fee with the Planting Report submission. The initial \$250 fee covers the cost for the first Category C sampled. An additional \$250 is required for each additional Category C sample collected and tested. MDA will invoice Category C varieties accordingly.

A license holder that requires multiple sampling events (due to extended or multiple harvest dates, lack of or incorrect harvest date reporting, or requests for subsequent Lot sampling) will be charged \$250 per sample, regardless of the variety Category.

Additional Licensing Information:

- Growers intending to sell live plants must conform with the Requirements for the Sale of Live Plants Policy, Appendix 9.2.
- To add, change or update a variety intended for planting, a licensee must submit the
 department's amendment request form (see <u>Form 10.5 MT Hemp Variety Update</u>) and receive
 department approval.
- A licensee must report any changes to contact information listed on the licensee's application form within 10 days of the change by emailing the department at hempinfo@mt.gov.
- License holders with unpaid testing fees from a previous year are ineligible for subsequent hemp license(s).
- Any applicant that does not meet the conditions of the Production License will forfeit their Planting license and the crop will require destruction. Harvesting hemp without a state issued Production license is a violation of state and federal law.

3. REPORTING REQUIREMENTS

A licensee must notify the department within 30 days prior to actual harvest of any change in the reported Estimated Harvest Date of more than 5 days. Conducting harvest more than 3 weeks after samples are collected may result in additional sampling with the license holder being responsible for additional fees.

Each license holder should submit information required by the 2018 Farm Bill and USDA's Interim Final Rule (IFR) to the USDA Farm Service Agency as outlined in said documents.

Each licensee must annually submit an Agricultural Agronomic Report (see <u>Form 10.6 - MT 2019 Annual Hemp Harvest Report</u>) listing the sale or distribution of any hemp grown by the licensee. The report must include:

- name and address of the person receiving the hemp,
- quantity of harvested area (i.e., acres, sq. ft. or plants)
- crop yield (i.e., pounds/acre, sq. ft. or plants)
- the form of the product sold or distributed, listed as:
 - o Grain, used primarily as a food
 - Seed, used for further propagation
 - o Flower, buds of the plant intended for the extraction of CBD oil
 - Stalk, stem of plants with or without fan leaves (containing no flowers) intended primarily for use in the fiber industry
 - Whole plant, entire plant not including the roots.

A licensee must keep all records related to the planting, growing, harvesting, storage, destruction, distribution, sale and/or processing of hemp, and make those records available for inspection for a minimum of three years.

4. INSPECTIONS & SAMPLING

The department will conduct inspections and perform sampling of hemp as outlined in <u>Appendix 9.3 - Procedure Guidance for Sample Collection, Sample Prep and Delivery</u>, Version 11.1, along with associated forms.

Any harvest date beyond the 3-week pre-harvest sampling event must be approved by the department. A license holder that requires multiple sampling events (due to extended or multiple harvest dates, lack of or incorrect harvest date reporting, or requests for subsequent Lot sampling) will be charged \$250 per sample, regardless of the variety Category.

Each Category C variety Lot must be sampled and be accompanied with compliant official test results during distribution, processing and when being offered for sale.

5. LABORATORY TESTING

The department utilizes the Montana State University Analytical Lab located in Bozeman, MT for official state hemp sample testing. The Montana State Hemp Pilot Program recognizes the 2018 Farm Bill testing methodology that requires using a post-decarboxylation method, which includes the calculation of THCA for a measurement of Total Delta9-THC on a dry weight basis. The department uses the lab's official Measurement of Uncertainty (MU) of 0.0453% in its determination of compliance regarding Total THC levels of concentration. Official test results will be reported on <u>Form 10.7 - MT Hemp Sample Lab Report</u>.

% Total Delta9-THC = %Delta9-THC + (%Delta9-THCA x 0.8772)

Jona Verreth

Laboratory Bureau Chief

Phone: (406) 994-6408 E-mail: JVerreth@mt.gov

McCall Hall, Montana State University

PO Box 173620

Bozeman, MT 59717-3620

The laboratory is accredited to ISO/IEC 17025 for the specific tests listed on A2LA Certificate Number 2694.01. The laboratory is certified in forage analysis by NFTA.

Proficiency Testing

The laboratory participates in the following proficiency testing programs every year:

- § National Forage Testing Association (NFTA)
- § Association of American Feed Control Officials (AAFCO)
- § Magruder (Fertilizer)
- § EPA pesticide residues in soil and plant tissue

6. INVOICING FOR ADDITIONAL SAMPLING & TESTING

The fees for additional Category C samples collected and tested, and not previously paid for, will be invoiced to each license holder at \$250 per sample. Invoices will be sent monthly and are due upon receipt. The balance must be paid within 30 days. Non-payment may result in ineligibility of future licensure.

7. ENFORCEMENT

For determining compliance regarding the 0.3% Total THC level of concentration allowance, the department uses its official Measurement of Uncertainty (MU) of 0.0453%. Example calculations are as follows:

- Compliant: a result of 0.3503 +/- MU of 0.0453 = range of 0.305 to 0.3956 (0.305 rounds to 0.30)
- Violation: a result of 0.3504 +/- MU of 0.0453 = range of 0.306 to 0.3957 (0.306 rounds to 0.31, which is greater than the allowable 0.3%)

For any violation of state or federal regulations regarding hemp, the department has the responsibility to determine whether the violation will be treated as negligent or greater than negligent.

For negligent violations, the department will issue a Notice of Non-Compliance and require a corrective action plan for the producer. The producer shall comply with the corrective action plan to cure the negligent violation. Corrective action plans will be in place for a minimum of two (2) years from the date of their approval. If a subsequent violation occurs while a corrective action plan is in place, a new corrective action plan must be submitted with a heightened level of quality control, staff training, and quantifiable action measures.

Examples of violations the department may consider as Negligent include:

- Failure to provide, or accurately provide, a legal description of the land on which the producer produces hemp,
- Failure to obtain a hemp license,
- Failure to maintain required records,
- Failure to submit required and accurate information,
- Conducting harvest more than 3 weeks post sampling without prior approval, and
- Produce Cannabis with a Total THC concentration of greater than 0.5% on a dry weight basis.

A producer who negligently violates this plan three times in a five-year period will be ineligible to produce hemp for a period of five years from the date of the third violation. A Negligent violation will not be subject to criminal enforcement action by the federal, tribal, state, or local government.

For violations made with a culpable mental state greater than negligence¹, the department will issue a Notice of Non-Compliance, report the licensee to the US Attorney General, the Montana Attorney General and the local law enforcement agency, and begin proceedings for suspension of licensure. Corrective action plans are not available for these violations. Findings of a violation greater than negligent will result in revocation of licensure.

Examples of violations the department may consider greater than negligent include:

- Three negligent violations in a five-year period,
- Failure to disclose a conviction of a felony relating to a controlled substance under State or Federal law within the past 10 years while possessing a state hemp license,
- Failure to obtain a hemp license,
- Materially falsifying information,
- Intentionally, knowingly, or recklessly producing hemp greater than 0.5% Total THC on a dry weight basis, and
- Produce Cannabis with a Total THC concentration of greater than 1.0% on a dry weight basis.

The department will weigh and consider the standard of care that a reasonably prudent person would have exercised in a similar situation when determining whether a violation was committed with a culpable mental state greater than negligence and assigning penalties. Such violations may be subject to other state, tribal or federal regulatory action.

Montana 2020 Hemp Pilot Program Plan

¹ - "Culpable mental state greater than negligence" is a term used in the 2018 Farm Bill to determine when certain actions would be subject to specific compliance actions. This term means to act intentionally, knowingly, willfully, recklessly, or with criminal negligence.

For violations regarding Total THC levels of official samples, the department will utilize the procedures and guidance outlined in <u>Appendix 9.4 - Mitigation Guidance</u> and the following associated forms:

- 10.8 MT Hemp Sample Results Informational letter
- 10.9 MT Hemp Sample Results Affidavit letter
- 10.10 MT Hemp Affidavit
- 10.11 MT Hemp Sample Results Corrective Action Plan letter
- <u>10.12 MT Hemp Sample Results Disposal/Destruction letter</u>

Each violation may be considered separately. Any person whose violation is not corrected as outlined in the Corrective Action Plan may have their license(s) suspended or terminated after 30 days written notice. An administrative hearing or informal appeal under MAPA is available if a party timely chooses to dispute either level of violation or the corrective action plan. The department may reinstate the license if good cause is shown and the reinstatement fees are paid.

Corrective Action Plans

For any negligent violation, the license holder must submit a written proposal of correction to the department within 15-business days of notification of the violation. The proposal form (see <u>Form 10.13 - MT Proposal of Correction/Disposal/Destruction</u>) must include, but is not limited to, a list of responsible parties, a reasonable time frame in which the correction will be implemented and resolved, any and all information necessary to prove compliance, and as applicable, the location, the Lot number, Lot size, variety of hemp, equipment used, and method of correction. Upon approval, the department will issue and require signatures on a Corrective Action Plan (see <u>Form 10.14 - MT Corrective Action Plan</u>) and the license holder must correct the issue within 30 days of notification.

Allowable Corrective Action Plans include:

- Removal and destruction of THC by a Montana licensed hemp processor in Montana
- Removal and destruction of non-compliant plant parts (e.g., flowers) and sale or distribution of salvageable plant parts (e.g., fiber).

8. DISPOSAL/DESTRUCTION OF HEMP

Any disposal or destruction of hemp, whether voluntary or by order of the department must comply with state procedures. The license holder is responsible for assuring the non-compliant hemp plant or plant parts are rendered into a non-retrievable or non-ingestible form and is non-viable for further propagation, distribution, or sale. The license holder is responsible for the control of volunteer plants of hemp in following years. The license holder must notify the local sheriff's office of any destruction or disposal process.

Examples of reasons the department will require destruction include:

- A lack of records indicating the hemp was produced by a licensee or on a registered growing site,
- Lack of control by the license holder,
- Total THC level exceeding 1.0% on a dry weight basis, and
- Total THC level exceeding 0.5% on a dry weight basis without an approved Corrective Action Plan for remediating the hemp into a compliant commodity.

Options of allowed disposal/destruction methods include, but are not limited to:

- plowing under, disking, or composting a crop into green manure for use on the same land,
- chopping or mowing a crop and incorporated into the soil on the same land,
- deep burial of plants or plant parts, and
- devitalization or sterilization of seed (devitalized seed can be sold as grain),
 - Options include:
 - Steam Heat The use of steam for rendering seed or grain non-viable requires that the seed lot be homogenous and that all parts of the seed lot be subjected uniformly and continuously to steam heat for a minimum of 15 minutes. The entire lot must be exposed to live steam. If subsequent testing shows that the lot is not 100% non-viable, the process must be repeated.
 - Infra-Red Radiation Industrial Hemp can be rendered non-viable through an infra-red cooking process. This is accomplished by first tempering the seed to a moisture content of 13 to 14 percent. The seed is then heated using natural gas generated infra-red energy of a wavelength of 1.8 to 3.2 microns. The seed must be heated to a minimum temperature of 230 degrees Fahrenheit. The seed flow rate must be set to assure that the time of cooking includes heating time from ambient to treatment temperature, and that treatment time is sufficient to result in non-viable seed. If subsequent testing shows that the lot is not 100% non-viable, the process must be repeated.

For crops, plants or plant parts that are required to be disposed of or destroyed by the department, the grower must submit Form 10.13 - MT Proposal of Correction/Disposal/Destruction providing applicable information for approval prior to disposal/destruction. Additional requirements include submission of pictures showing proof of destruction a form signed by an independent third party verifying the witness visually observed the disposal/destruction, see Form 10.15 - MT Hemp Disposal/Destruction Witness Statement.

The department must submit a monthly report to USDA of any destruction occurrence of non-compliant plants or plant parts. The report shall contain the following information:

- Name and address of the license holder,
- License or authorization identifier,
- Location information (e.g., lot number, location type and geospatial location),
- Test results,
- Information on the person handling the disposal,
- Disposal completion date, and
- Total grow area.

9. APPENDICES - See pages 11 through 13.

Links are provided to the actual documents. As available, the documents are illustrated for reference.

9.1. 2020 Hemp Seed/Clone Variety List

Montana 2020 Hemp Seed/Clone Variety List February 21, 2020

Category A - are varieties formally approved by the department.

CFX-1, CFX-2, CRS-1, Canda, Carmagnola, Carmagnola Select, Fedora 17, Grandi, Joey, Katani, Picolo

Category B - are varieties approved by other states or countries at a level equivalent to the departments.

Altair, Alyssa, Angie, Anka, Armanca, Asso, B 11, Beniko, Bialobrzeskie, CS, CanMa, Cannakomp, Carma, Carmen, Carmaleonte, Chameleon, Codimono, CHA, CHY, Crag, Dacia Secuieni, Debbie, Delores, Delta 405, Deltallosa, Denise, Diana, Dioca 88, Deni, ESTA-1, Eco Aglegra, Eco Nebliss, Eletta Campana, Epsilon 68, Elite, Fasamo, Fedrina 74, Felina 32, Felina 34, Ferimon, Fibrol, Fibranova, Fibrante, Fibriko, Fibrimon 24, Fibrimon 56, Finola, Futura 75, Georgina, GranMa, Glecia, Gliana, Helena, Henola, Hiration, IDA-0103, Ivory, Judy, Jutta, KC Bonusz, KC Dora, KC Virtus, KC Zuzana, Kompolti, Kompolti Hibrid TC, Kompolti Sargaszaru, Laura Secord, Lipko, Lovrin 110, Marcell, Marina, Markant, Martha, Medicine Mother, Monoica, Nadine, Novosadska, Petera, Quida, Rajan, Ratza, Santhica 23, Santhica 27, Santhica 70, Secuieni Jubileu, Silesia, Silistrenski, Silvana, Succesiv, Szarvasi, Tiborszállási, Tisza, Tygra, UC-RGM, USO, 4, USO 31, Uniko B, VC Star, Victoria, Villanova, Wojko, X-59 (Hemp Nut), Yvonne, Zenit, Zolotonosha 11, Zolotonosha 15.

Category C - are all other hemp varieties that an applicant reasonably believes will not produce a plant with over 0.3% THC at any time prior to harvest and are not in Category D (Category C varieties will require additional sampling and testing at the grower's expense).

Category D - includes all varieties forbidden by any federal law or regulation or added by rule by the Department because of its inability to consistently produce hemp.



Requirements for the Sale of Live Hemp Plants

- 1.) The seller must have a current hemp license,
- 2.) The seller must have a current nursery license,
- 3.) The seller must verify the buyer has a current hemp license,
 - The seller will need to review the hemp license list on the Department's website and record the buyer's license number on the invoice. A sale may not be made to an individual not listed on the Department's licensee list
 - The seller must submit a weekly report to the Department listing each sale of a live hemp plant and the buyer's name, address and hemp license number
 - The seller must notify the buyer to send updates to the Department for the additional varieties
- The seller must send the Department an official lab report listing the Total Delta 9-THC % test results of mature flowers from the mother plant(s),
- The Department will require the seller to grow out 1 (or more) mother plants to the bud stage so it can be sampled and tested within the typical maturity period of the variety for the plants sold,
 - If the mother plant tests above the 0.3% Total Delta 9-THC threshold, all plants (including those already sold) will be subject to mitigation/destruction
 - During the Department's inspection of the seller, the Department may audit their records and randomly select a percentage of sales to verify hemp plants were only sold to licensed growers
- In the event that items 3, 4 and/or 5 cannot be met, an appeal may be made to the Department Director outlining the reasons for why an exception or equivalency should be granted.

Ben Thomas, Director

Montana Department of Agriculture

9.3. Procedure Guidance for Sample Collection, Sample Prep and Delivery Not available for illustration, click the link above.

9.4. Mitigation Guidance

Montana 2020 Hemp Pilot Program

Mitigation Guidance for Hemp Test Results

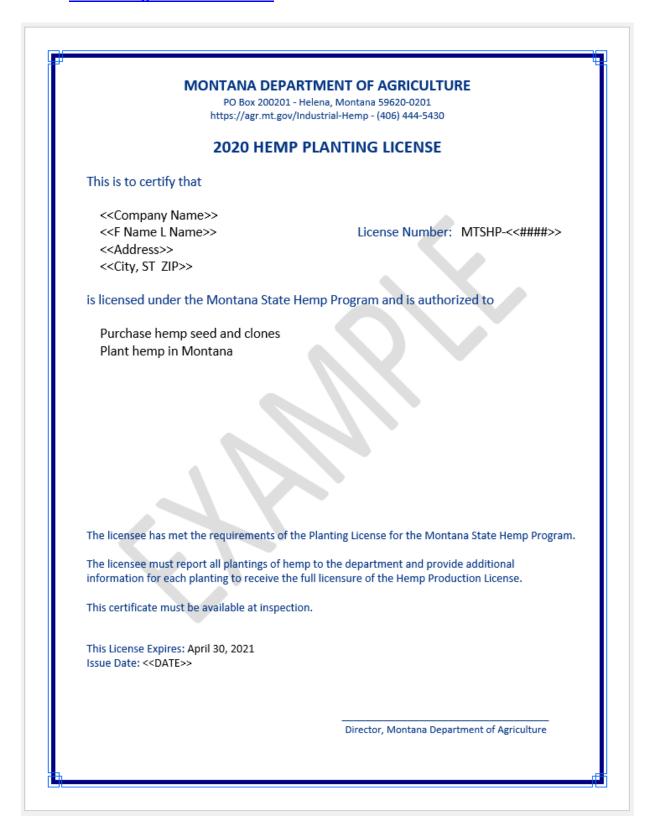
- 1. Total delta-9 THC results of not greater than 0.3% on a dry matter basis
 - · Issue the Informative letter with results attached via email and standard mail
 - · Product is allowed to be distributed, sold and/or processed by the grower
- 2. Total delta-9 THC results greater than 0.3% but not greater than 0.5% on a dry matter basis
 - · Issue the Affidavit letter with results and Affidavit form attached via email and Certified mail
 - Product is allowed to be distributed, sold and/or processed by the grower when the signed Affidavit is received by the department
 - . Grower and Processor are responsible for assuring the Total THC is not greater than 0.3%
- 3. Total delta-9 THC results of greater than 0.5% but not greater than 1.0% on a dry matter basis
 - . Issue the Corrective Action letter with results attached via email and Certified mail
 - Options include destroy or mitigate, mitigation includes a strike against the licensee
 - Mitigation options include:
 - · Extraction of and legal disposal of THC by a licensed processor
 - · Harvest of seed or fiber only
 - All methods require a written plan approved by the department and signed by all
 persons involved
 - Testing of final product (e.g., tinctures, salves) may be required on a case-bycase basis. Tests results may be allowed from private labs.
- 4. Total delta-9 THC results of greater than 1.0% on a dry matter basis
 - Issue the Destruction letter with Lab Report and Disposal/Destruction Proposal form attached via email and Certified mail
 - Notify local sheriff's office, DEA and USDA
 - · Require a written destruction plan of the licensee
 - · Upon approval, destruction will be required within 30 calendar days
 - Requires signed Hemp Disposal/Destruction Witness Form by an independent third party

Montana 2020 Hemp Plan page 1 of 1 Ver 4/3/2020

10. FORMS - See pages 14 through 29

Links are provided to the actual documents. As available, the documents are illustrated for reference.

9.1. MT Planting License Certificate



9.2. MT Production License Certificate

MONTANA DEPARTMENT OF AGRICULTURE

PO Box 200201 Helena, Montana 59620-0201 (406) 444-0512

Montana State Hemp Program 2020 ANNUAL HEMP PRODUCTION LICENSE

License Number: MTSHP-<<####>>

This	_		cert	-E	414	۷
I DI		TO	Cert	ITV.	rnai	г

<<Business Name>>

<<F Name L Name>>

<<Address>>

<<City, ST Zip>>

is authorized to conduct business as a <u>Licensed Montana Hemp Grower</u> of the following varieties from the following locations:

Crop/Lot Number	Latitude / Longitude	Variety	Category	Lot Quantity	Units	County
	,					

The licensee has met the requirements of the Montana Hemp Production License.

This License Expires: April 30, 2021

Issue Date: << Date>>

This certificate must be available at inspection. Director, Montana Department of Agriculture

MT Hemp License Application, Stage 1, 2020 9.3.



HEMP PROGRAM PO Box 200201-Helena, MT 59620-020 hempinfo@mt.gov - (406) 444-5430

2020 INDOOR/OUTDOOR HEMP LICENSE APPLICATION

Valid through April 30, 2021 - Deadline for application is April 30, 2020

APPLICANT INFORMATION	Were you licensed in 2	019? If yes, provid	de your Licen	se Number	:MTSHP-	
Business Name		SOS Number			EIN Numb	er
Last Name	Last Name				•	MI
Physical Address	ysical Address		City ST		ZIP	County
Mailing Address	talling Address		City		ZIP	•
Phone	Cell Phone		Email			
NAMES and TITLES of KEY PARTICIPAN	TS					
Full Name	Title	Phone		Email		
Full Name	Title	Title Phone		Errail		
Full Name	Title Phone		Email			
Full Name	Title	Phone		Email		

Variety	Name of Licensed Seed Dealer or Nursery		ense Number of Dealer or Nursery	Seed or Live Plants?	Documentation Attached?
op Information - As	applicable, list the crop information you ar	re req	uesting to grow.		
Grow Type	Primary Market (circle one)	T	Number of Varieties	Qu	antity of
Outdoor	CBD / Fiber / Grain / Seed / Live Plan	ts			_Ac
Greenhouse	CBD / Fiber / Grain / Seed / Live Plan	ts			Sq.
Indoor	CRD / Fiber / Grain / Seed / Live Plan	ts			Pla

A non-refundable application fee of \$850 is required with this application

ATTESTATION STATEMENT - I hereby certify that the information contained in and submitted with this application is true and correct. Persons who violate federal laws regarding hemp may be subject to federal prosecution. I agree to comply with Section 80-18-101 through 80-18-111, MCA, ARM 4.19.101 - 202, and with other state and federal regulations, including consent to entrance of above property by department personnel for inspection and testing of

Acknowledgement Statem	ige that I have read, accept and agree to t ent.	ne condicions outi	ined in the accompanying Risk
Applicant Printed Name:		Applicant Title:	
Applicant Signature:		Date:	



2020 INDOOR/OUTDOOR HEMP LICENSE APPLICATION

Seed/Live Plant Source and Verification form

	Name of Licensed	r additional information. License Number of Seed	Seed or	Documentatio
Variety	Seed Dealer or Nursery	Dealer or Nursery	Live Plants?	Attached?
	+	+		

MONTANA AGRICULTURE

Montana State Hemp Program

2020 Risk Acknowledgment Statement

The Agriculture Improvement Act of 2018 (2018 Farm Bill, Section 10113) directs the U.S. Department of Agriculture (ISDA) to provide states desiring to have primary regulatory authority over the production of hemp the opportunity to submit state plans for approval. USDA published an Interim Final Rule (IFR) on October 29, 2019 to set the federal standard for producing hemp in the US and began accepting state plans for review. The Montana Department of Agriculture submitted its state plan for approval on January 9, 2020 and intends to implement an updated, federally approved plan in 2021.

The 2018 Farm Bill provides that States. Tribes, and institutions of higher education can continue operating under authorities of the 2014 Farm Bill for to 24 months. In 2020, the Montana Department of Agriculture has elected to operate under the 2014 Farm Bill Authority and will continue to oversee statewide hemp production pursuant to rules and regulations currently in place.

Cannabis plants and products produced from "Category C" varieties may not follow the 2014 Farm Bill or USDA's Commons plants and products produced norm Category C varieties may not to low use 2-47-47 mile and 0-324.

If Requirements. The Montana Department of Agriculture will allow planting of "Category C" varieties during the 2020 growing season but does not guarantee or certify that these plants and products are included in the definition of hemp under the federal Agriculture improvement Act of 2018. Any license holder planting seeds or clones or processing hemp products from "Category C" varieties acknowledge and agrees to the following

- 1. Any and all parts of "Category C" Cannabis sativa L. plants, whether growing or not, may be considered
- Any license holder electing to plant "Category C unitions saver Lipins, whether glowing in not, may be considered marijuans under other state, local, or federal jurisdictions within and outside of the state of Montana 2. Any license holder electing to plant "Category C" varieties who violates any part of the state plan with culpable mental state greater than negligence shall be reported to USDA and federal and state law enforcement officials
- 3. Any law enforcement actions related to the integrity of "Category C" hemp varieties are the sole
- responsibility of the grower, supplier, and landowner.

 4. No liability shall attach to the Montana Department of Agriculture or to any officer or representative of the department with respect to "Category C" Cannabis varieties.

In addition, all hemp license holders planting seeds, clones, possessing hemp plants, or processing hemp products acknowledge and agrees to the following conditions

- 1. Hemp varieties planted and developed in the United States prior to 2016 may not be compliant with the 2014 Farm Bill or USDA's IFR.
- 2. The department may request lab report results from any known Cannabis testing lab in Montana.

 3. Plants and products that exceed the hemp Total THC threshold of 0.3% will be reported by the license.
- holder to the department immediately and a corrective action plan developed.

- holder to the department immediately and a corrective action plan developed.

 4. THC is tested in Montana using the federally required post-describovylation method, meaning the component measured to determine the compliance of hemp is Total THC, which includes THCs.

 5. The purchase and planting of non-certified or non-labelled seed includes inherent risk to the quality of the seed, the genetics and the potential of elevated THC levels of the crop produced.

 6. It is the responsibility of the applicant to disclose any drug related felonies occurring outside the State of Montana within the last 10 years. Failure to comply will result in license revocation and law enforcement



INSTRUCTIONS

The hemp license application is to apply for the growing of hemp for the period of January 2020 - April 30, 2021, <u>whether growing outdoors</u>, in a greenhouse or indoors (using light to manipulate the flowering stage of hemp). This application must be completed by an authorized company representative. Application does not constitute licensure until final approval. Applications will not be processed until all required information is received.

The department issues hemp licenses in (2) two progressive stages. Upon approval of this application, eligible applicants will be issued a Planting license so they may purchase seed or live plants and plant or propagate hemp. To receive full licensure, the applicant mass utwint a Planting Report confirming information about the crop that was plantick. Successful candidates will be issued the second stage Production license. The Production license allows for the production after of compliant hemp. Any applicant that does not meet the conditions of the Production license will foreit their Planting license and the crop will require destruction. Prior to applying for a license, an applicant should review the Stage 2 requirements for receiving the full license on the department's website.

Applicant Information: The application must be completed in its entirety, including printed name, date and signatures. The licensed entity can be either a single individual or a business with a contact name. A Business Name is only required if you are licensing a registered business. If the applicant is a business, you must provide the Business License Number on file with the Montana Secretary of State's (505) Office. Businesses are also required to list its IN number.

Key Participants: List the Key Participants and titles for each person involved in the management of hemp for this operation.

Key Participants are defined as "officers of the company and/or the person(s) responsible for management decisions regarding
the crop" (Le, Planting date, seeding rate, pesticide or fertilizer applications, timing of havest, etc.).

FBI Identity History Summary Requirement for 2020 Growing Season:

Effective March 24, 2020: Due to restricted access to obtain fingerprint documentation caused by the COVID-19 emergency, the Montana Department of Agriculture waives the requirement for FBI Identity History Summary documentation for all 2020 hemp license applicants and Key participants. This does not exempt applicants from the federal requirement of having no prior convictions of felony drug charges in the last 10 years.

Seed/Live Plant Source and Verification: The department has developed four risk-based categories of hemp varieties. The variety you choose will determine the level of review your application receives and the level of testing of your crop. All varieties that meet the definitions of Category, & Bor Care allowed. Visit the department is hemp website for more information on hemp categories and the complete list of Category A and B varieties. Each variety of hemp will be reviewed by the department prior to issuance of the hemp license. The application must include for each variety the name and license number of the seed provider or nursery, and an indication of your purchase. Seed or Live Plants. A copy of the seed label (provided to you by the seed provider) is required for each Category A and B variety. For Category C varieties, a copy of the seed label or the Certificate of Analysis (COA) is required.

The person providing seed and/or live plants to the grower must be licensed to distribute into the state. Seed providers must be licensed in Montane, nurseries must be licensed in Montane, nurseries must be licensed in their recident state. Growers who purchase live live limit must be copy of the provider's resident state nursery license and hemp license and predification of variety (nursery libe), seed label or COA) and be aware of live plant importation requirements. For more information on these requirements, please visit our website at https://jam.rt.aco/incis/Seed, https://jam.rt.aco/incis/Seed.https://jam.rt.aco/incis/Seed

Fees: A check or money order for S850 must be enclosed, written to the Montana Department of Agriculture, for the application to be considered. Applicants who plant Category C varieties will have additional fees due with the Planting Report.

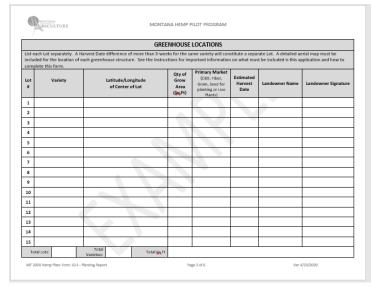
Mail To: Montana Department of Agriculture - Hemp Program, PO Box 200201, Helena, MT 59620-0201

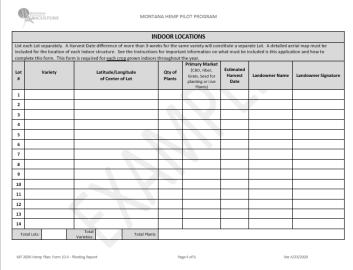
For additional assistance, visit our website at https://agr.mt.gov/Hemp, contact Andy Gray at (406) 444-0512 or by email at angray@mt.gov, or contact Mikayla Moore at (406) 444-5430 or by email at mikayla.moore@mt.gov.

9.4. MT Hemp Planting Report, Stage 2, 2020

LICENSE		2020 HEMP PLANTING REPORT
LICENSE		
	NFORMATION	
2020 Hen	np License Number	MTSHP-
	Licensee Name	
	Business Name	
b. 6		thin 4 weeks of seeding or planting, but not later than July 15 door crops - within 4 weeks of seeding, planting, propagation, or receip
issued. 4) The Promeet the require federal 5) If one of submissions.	emp Planting Repo Allow approxima oduction license is the conditions of the e destruction. Har I law. or more Category is ssion. This initial \$	to use the decident of the production license can be aly 3 - 4 weeks for processing of the Production license. Can be aly 3 - 4 weeks for processing of the Production license. Proquied to produce and harvest hemp. Any applicant that does not e Production license will forfeit their Planting license and the crop wiseting hemp without a Production license is a Violation of state and varieties were planted, a \$250 planting fee is required with this \$50 fee covers the cost for the first Category C sampled. For each tiple collected and tested, you will be invoiced an additional \$250.
issued. 4) The Promeet the require federal 5) If one of submission addition	mp Planting Repo Allow approxima oduction license is he conditions of the e destruction. Har I law. or more Category i ssion. This initial \$ nal Category C sar	t must be received and approved before the Production license can be left 3 - 4 weeks for processing of the Production license. required to produce and harvest hemp. Any applicant that does not be Production license will forfeit their Planting license and the crop wi vesting hemp without a Production license is a violation of state and varieties were planted, a \$250 planting fee is required with this 50 fee covers the cost for the first Category C sampled. For each
issued. 4) The Promeet If require federal 5) If one o submiss addition FEES Category I ATTESTAT applicatio prosecutic with other personnel	imp Planting Repo Allow approxima Allow approxima oduction license is the conditions of the destruction. Hat law. or more Category C sar C Planting Fee (requ TION STATEMENT- In is true and correct on. Lagree to comp r state and federal If or inspection and	t must be received and approved before the Production license can be by 3 - 4 weeks for processing of the Production license. required to produce and harvest hemp. Any applicant that does not be Production license will forfeit their Planting license and the crop will sesting hemp without a Production license is a Violation of state and varieties were planted, a \$250 planting fee is required with this 50 fee covers the cost for the first Category C sampled. For each piple collected and tested, you will be invoiced an additional \$250.
issued. 4) The Promeet It require federal 5) If one o submiss addition FEES Category I ATTESTAT applicatio prosecutic with other personnel conditions	imp Planting Repo Allow approxima Allow approxima oduction license is the conditions of the destruction. Hat law. or more Category C sar C Planting Fee (requ TION STATEMENT- In is true and correct on. Lagree to comp r state and federal If or inspection and	t must be received and approved before the Production license can be #y 3 - 4 weeks for processing of the Production license. required to produce and harvest hemp. Any applicant that does not production license will forfeit their Planting license and the crop wi westing hemp without a Production license is a violation of state and varieties were planted, a \$250 planting fee is required with this 50 fee covers the cost for the first Category C sampled. For each pipe collected and tested, you will be invoiced an additional \$250. Ired only if a Category C variety was planted) \$250 or \$2









MONTANA HEMP PILOT PROGRAM

INSTRUCTIONS

The Hemp Planting Report is required of all growers who plant or grow hemp, per crop, in the state of Montana with a 2020 license, whether growing outdoors, in a greenhouse or indoors (using light to manipulate the flowering stage of hemp). This report must be completed by the licensed individual or an authorized company representative. The Production license will not be issued until the Hemp Planting Report is received and approved.

The department issues hemp licenses in (2) two progressive stages. To be eligible for the Production license, an The department issues hemp licenses in (2) two progressive stages. To be eligible for the Production license, an applicant must have applied for and received the Planting license. The Planting license allows for the purchase of seed or live plants and the planting or propagation of hemp. To receive the second stage Production license, the applicant must submit this Hemp Planting Report confirming information about the crop that was planted. The Production license allows for the production and harvest of compliant hemp. Any applicant that does not meet the conditions of the Production license will forfeit their Planting license and the crop will require destruction. Visit the department's

Fees: A check or money order must be enclosed with the appropriate fees, written to the Montana Department of Agriculture, for the application to be considered. Please include your license number in your check Memo

Greenhouse and Indoor Grow Submission Requirements: If a grower has multiple crops per year, a Planting Report is required for each crop, within 4 weeks of seeding, planting, propagation, or receipt of live plants. Plants that are never intended to be harvested must also be reported, including mother plants and plants that are intended to be sold as live plants. Clones must be reported within 4 weeks of rooting

Crop - "a group of plants in a similar stage of growth" (example: plants beginning the flowering stage on March 1 would

Flowering Stage - "the phase where plants periodice their flowering stage on June 1)

Flowering Stage - "the phase where plants produce their flower sets"

Indoor Grow - "using light to manipulate the flowering stage of the plant"

Let - "a contiguous or immediate adjoining area of a field of fields, greenhouse, or indoor growing structure containing the same variety of hemp throughout the area and having a harvest date within 3-weeks"

Location Information: Complete one or more of the Location forms, as applicable to your operation, by providing the Location Information: Complete one or more of the Location forms, as applicable to your operation, by providing the required information respective to Outdoor, Greenhouse and/or Indoor grow sites. Each "Lot" must be listed separately. Plants that are started in a greenhouse but transplanted to be grown outside are considered an Outdoor crop; do not list these Lots on the Greenhouse form. Plants grown inside without the use of light to manipulate the growth cycle is considered a Greenhouse crop. Examples for Lot determination include:

• the same variety grown in a different field under the same growing conditions and harvest timing is considered the same Lot.

- the same variety grown in a different field but under different growing conditions or a harvest date of more than 3 weeks later is considered a different Lot,
- the same variety grown in fields of different landowners would be considered separate Lots.

For each Lot, list the:

- Variety List each variety separately by Lot
 Latitude/Longitude (the point should be near the center of the Lot, field, or structure)
 An overview map <u>must</u> be included that shows all locations relative to each other and the nearest municipality.
 - A separate map <u>must</u> be included showing the boundaries of the Lot(s), and identifying the Lot number, variety and the grow area size for each Lot.

MT 2020 Herrin Plant Form 10 4 - Planting Report

Page 5 of 6

Ver 4/23/2020



MONTANA HEMP PILOT PROGRAM

- . For multiple Lots contained in a greenhouse or indoor structure, the map need only identify the location of the structure(s).
- Maps using the satellite view on Google Maps works well. FSA farm maps are also accepted.
 Quantity of Growing Area List the quantity for Outdoor as Acres, Greenhouse as Sq. Ft. and Indoor as Plants.
- Quantity of Growing Area List the quantity for Outbook as Acres, oreenhouse as Sq. H. and indoor as Plants.
 Estimated Harvest Date Specify the estimated date or week of harvest. The department jung sample within a 3-week period prior to harvest. This information is critical to scheduling resources and for assuring the crop is sampled per protocol. Compliant sample results are required for the sale of Category C varieties.
 Landowner Name/Signature Signatures are required of each legal landowner (or an authorized agent) for each property used to grow hemp. Rented or leased property must have the actual land owner signature. If the
- property used to grow hemp. Rentice or teased property mass mark one account and the property incomes owns the land, their signature is required.

 If additional lines are necessary for multiple Lots, please make a copy of the form and complete accordingly.

Mail To: Montana Department of Agriculture - Hemp Program PO Box 200201

Helena, MT 59620-0201

Annual Hemp Report: Participants must submit a post-harvest hemp report annually. The report shall include:

- Crop and yield information.
- The sale or distribution of any hemp or hemp commodities produced, and
- Name and address of the person receiving the hemp or hemp comme

For additional assistance, visit our website at https://agr.mt.go mp, contact Andy Gray at (406) 444-0512 or by email at angray@mt.gov, or contact Mikayla Moore at (406) 444-5430 or by email at mikayla.moore@mt.go

MT 2020 Herrin Plant Form 10 4 - Planting Report Page 6 of 6 Ver 4/23/2020

9.5. **MT Hemp Variety Update**



MT Hemp Plan: Form 10.5 - Variety Update

HEMP PROGRAM PO Box 200201-Helena, MT 59620-0201 hempinfo@mt.gov - (406) 444-5430

2020 INDOOR/OUTDOOR HEMP VARIETY UPDATE FORM

APPLICANT INFORMATION	2020 Hemp License Number: MTSHP-		MTSHP-	
Business Name	SOS Number EIN Number			
Last Name	First Name			MI
Physical Address	City	ST	ZIP	County
Mailing Address	City	ST	ZIP	

Seed/Live Plant Source and Verification Information

Complete the int	formation for each additional varie including attachments. See the In				s <u>required</u> ,
Variety	Name of Licensed Seed Dealer or Nursery		Number of Seed er or Nursery	Seed or Live Plants?	Documentation Attached?
List e	each variety you previously submitt	ed for reviev	v but no longer in	tend to grow.	
Applicant Printed	I Name:		Applicant Title:		
Applicant Sig	nature:		Date:		

page 1 of 2

Ver 2/20/20

MONTANA AGRICULTURE

MONTANA HEMP PROGRAM

INSTRUCTIONS

The Variety Update Form is for applicants who have previously completed and submitted the 2020 Indoor/Outdoor Hemp License Application form. The Update Form must be completed by an authorized company representative. Updated varieties will not be processed until all required information is received.

Only use this form to <u>submit updates or request additional varieties</u> be reviewed for the 2020 growing season. For tracking purposes, information on new varieties cannot be accepted over the phone or within an email. Updates and request for additional varieties must be submitted via this form.

Applicant Information: Complete the Applicant information exactly as submitted on your original license application. If you have not previously been issued a license number, that can be left blank.

Seed/Live Plant Source and Verification: The department has developed four risk-based categories of hemp varieties. The variety you choose will determine the level of review your application receives and the level of testing of your crop. All varieties that meet the definitions of Category A, B or C are allowed. Visit the department's hemp website for more information on hemp categories and the complete list of Category A and B varieties. Each variety of hemp will be reviewed by the department prior to issuance of the hemp license.

The Update Form must include for <u>each</u> variety submitted the name and license number of the seed provider or nursery, and an indication of your purchase: Seed or Live Plants. A copy of the seed label (provided to you by the seed provider) is required for each Category A and B variety. For Category C varieties, a copy of the seed label or the Certificate of Analysis (COA) is required.

The person providing seed and/or live plants to the grower must be licensed to distribute into the state. Seed providers must be licensed in Montana; nurseries must be licensed in their resident state. Growers who purchase <u>live plants</u> must submit a copy of the provider's resident state nursery license <u>and</u> hemp license <u>and</u> verification of variety (nursery label, seed label or COA) and be aware of live plant importation requirements. For more information on these requirements, please visit our website at https://agr.mt.gov/nursery-Program, or https://agr.mt.gov/lemp.

Mail To: Montana Department of Agriculture - Hemp Program

PO Box 200201 Helena, MT 59620-0201

For additional assistance, visit our website at https://agr.mt.gov/Hemp, or contact Mikayla Moore at (406) 444-5430 or by email at https://mikayla.moore@mt.gov.

MT Hemp Plan: Form 10.5 - Variety Update page 2 of 2 Ver 2/20/20

9.6. MT 2019 Annual Hemp Harvest Report

2019 Hemp Distribution Form	Instructions
Hemp Grower Business Name: First/Last Name:	License Number: <u>Grow Forms</u> - Complete regardless if you have sold or distributed hemp. 1. Variety: List sech variety vou planted
Individual or Entity Name License Number Physical Street Address/City/State Quantity	 Total Quantity Planted: (Use 'Acres' for Outdoor grow sites and 'Sq. Ft' for Indoor grows sites)
	THE PER CION THE WAS DESCRIPTED THE RESIDENT
	Hemp Distribution Form - Complete for all crop materials distributed to another entity, including your self if you processed as a
General Comments and Observations MT Hump Plan: Form 10.6 - Annual Harvest Report Page 3 of 4	grower. If additional lines are necessary, please make copies of this form. Incomplete forms will be returned. 1. Individual or Entity Name: List each different person or company you distributed plant material to. 2. License Number: If you distributed live plants, list the entity's Mortana Hemp Grower license number. 3. Address: List the physical address, city and state of each entity you distributed to. 4. Quantity: List number of units. 5. Units: Use the terms balse, plants, pounds, tons, or a unit of volume to describe the Quantity. 6. Product: List the product distributed (e.g., buds, grain, live plants, mixed flower material, seed, stalk, or whole plant biomass) Ver 4/20/20 MIT Hemp Plant Form 30.6 - Annual Harvest Report Page 4 of 4 Ver 4/20/20

Page 1 of 1



302 N Roberts, PO Box 200201 Helena, Montana 59620-0201

406.444.3144 Fax: 406.444.5409 agr@mt.gov www.agr.mt.gov

To: Andy Gray

Hemp Program Coordinator

From: Jona Verreth

Laboratory Bureau

Subject: Test Result for H-1234 A

License Number: 0209
License Holder Name: Andy Test
Inspector's Name: Andy Gray
Business Name: Test CR Company

Latitude/Longitude: 48.1234/-105.1234

Analyte	Results	Unit	Pass / Fail
Delta9-THC dry weight	0.1447	%	_
Delta9-THCA dry weight	0.2345	%	
Total delta9-THC dry weight	0.3504	%	FAIL

%Total delta9-THC = % Delta9-THC + (%Delta9-THCA x 0.8772)

Measurement uncertainty for "Total delta9-THC dry weight" is estimated to be +/- 0.0453(95% CL, k=2).

Method Reference: Montana Department of Agriculture, CANNABLCUV_H, Revision 0: November 2019. "Determination of Cannabinoids in Hemp and Hemp Products by Liquid Chromatography-UV Detection."

c	OA/Technical Reviewer :	Regulatory Reviewer:
ч	A Technical Reviewer:	Regulatory Reviewer:

Laboratory Bureau McCall Hall, Montana State University Bozeman, Montana 59717-3620 Phone (406) 994-3383 Fax (406) 994-4494 ACCREDITED
CERTIFICATE #2694.01

The results issued on this report only reflect the analysis of the sample submitted.

9.8. MT Hemp Sample Results Informational letter

< <date>></date>	
ASSERCT MARKET ACT MARKETS	
< <first last="" name="">> License Number: MTSHP-<<license #="">></license></first>	
< <business name="">> <<address>></address></business>	
< <city, st_zip="">></city,>	
RE: Informational - THC Analysis Results for Hemp Sample Number: H	
KE. IIIO Mational - The Analysis Results for Herrip Sample Number. 11-	
Dear << FIRST NAME LAST NAME>>,	
Deal Strike Boot Holinezz,	
Enclosed you will find the analytical results for the official sample referenced above. The sample was	
collected under authority of the 2018 Farm Bill and USDA's Interim Final Rule. Information related to	
the sample and the Lot(s) it represents can be found in the enclosed Lab Report.	
the sample and the cotts) it represents can be round in the enclosed cab heport.	
We are providing these analytical results for your information. The Total Delta 9-THC percentage is	
within the allowable 0.3% on a dry weight basis and the referenced Lot was compliant with state and	
federal regulations on the date of sampling. Raw hemp plants and/or plant parts harvested within 3	
weeks of the sampling date are free to enter the chain of commerce. A copy of the Lab Report must	
accompany product from this Lot during distribution.	
The department reminds you that Section 80-18-106, MCA requires that each licensee will be	
responsible for notifying the department of the sale or distribution of any hemp grown by the licensee,	
including the name and address of the person receiving the hemp. Information on the reporting format	
and due date is available on our website at https://agr.mt.gov/hemp .	
If you have any questions, contact me at (406) 444-0512 or by email at angray@mt.gov .	
Sincerely,	
Andy Gray	
Hemp Program Coordinator	
Enclosure: Lab Report	
MT 2020 Home Plan: Form 40.9 - Informative letter	
MT 2020 Hemp Plan: Form 10.8 - Informative letter Ver 4/27/2020	

9.9. MT Hemp Sample Results Affidavit letter

< <date>></date>	
< <first last="" name="">></first>	License Number: MTSHP-< <license #="">></license>
< <business name="">></business>	
< <add><<add><<add><<add><<add></add></add></add></add></add>	
Sorti, or Eliza	CERTIFIED MAIL #
DE AMERICA THE Applicate Describe for House Com-	mate Number (I
RE: Affidavit - THC Analysis Results for Hemp Sar	npie Number: H
Dear < <first last="" name="">>,</first>	
Enclosed you will find the analytical results for th	he official sample noted above. The sample was collected under
	im Final Rule. Information related to the sample and the Lot(s) it
represents can be found in the enclosed Lab Rep	
We are providing these analytical results for you	r information. The Total Delta 9-THC percentage is greater than
	As such, the referenced Lot is non-compliant and must be
_	s prior to distribution of raw hemp plants and/or plant parts.
	entration level of not greater than 0.5% to be in a safe harbor
of/destroy the Lot or to mitigate the violation th	will not be issued if the license holder agrees to legally dispose rough an affidavit process.
	department requires an affidavit be signed, notarized and om the referenced Lot can be processed, commingled, transported
	b Report, and a copy of the signed Affidavit must accompany any
	ant product. A copy of test results showing the product is
compliant <u>must</u> also accompany the sale of reme	ediated product from this Lot.
	-106, MCA requires that each licensee will be responsible for
	ion of any hemp grown by the licensee, including the name and
website at https://agr.mt.gov/Hemp.	mation on the reporting format and due date is available on our
website of incess, your measurement.	
If you have any questions, contact me at (406) 44	44-0512 or by email at <u>angray@mt.gov</u> .
Sincerely,	
Andy Gray	
Andy Gray Hemp Program Coordinator	
Hemp Program Coordinator	
Hemp Program Coordinator Enclosure: Lab Report	Ver 4/27/2020

9.10. MT Hemp Affidavit



		Hemp Affiday	rit	
An official samp for the following		f hemp plant parts was col	lected by the Montana	Department of Agriculture
< <first i<br="" name=""><<business na<br=""><<address>> <<city, st="" zip=""></city,></address></business></first>	ME>>		License Number: M	TSHP-< <license #="">></license>
Sample	Number:			
	Variety:			
	Lot ID:			
Lot	Quantity:	(expressed	in acres, pounds, sq. ft	t. or number of plants)
harbor range of	0.5%. The departme	nt requires this affidavit be	ما محمد منا مناه بيما احمد مستمر	solder notarized and
returned to the I, the undersign [] proce [] be res	department prior to ed, will: ss said lot to be not g sponsible for assuring	product from the lot samp greater than 0.3% Total Del g the buyer that processes IC in the final product.	led being commingled,	processed or sold. oduct prior to selling.
returned to the I, the undersign [] proce [] be res	department prior to ed, will: ss said lot to be not g ponsible for assuring 0.3% Total Delta 9-TH	product from the lot samp greater than 0.3% Total Del g the buyer that processes	led being commingled, ta 9-THC in the final pro said lot will produce a p	processed or sold. oduct prior to selling.
returned to the I, the undersign [] proce [] be res than 0	department prior to ed, will: ss said lot to be not g sponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv	product from the lot samp greater than 0.3% Total Del g the buyer that processes IC in the final product.	ta 9-THC in the final prosaid lot will produce a produce	processed or sold. oduct prior to selling. product to be not greater Date e is
returned to the I, the undersign [] proce [] be res than 0	department prior to ed, will: ss said lot to be not g sponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv attached, and not the	greater than 0.3% Total Del greater than 0.3% Total Del g the buyer that processes IC in the final product. License Holder (sig ther officer completing this conducted in the docume	ta 9-THC in the final prosaid lot will produce a produce	processed or sold. oduct prior to selling. product to be not greater Date e is
returned to the I, the undersign [] proce [] be res than 0 License Holder (department prior to ed, will: ss said lot to be not g ponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv attached, and not the	greater than 0.3% Total Del greater than 0.3% Total Del g the buyer that processes IC in the final product. License Holder (sig ther officer completing this conducted in the docume	ta 9-THC in the final prosaid lot will produce a produce	processed or sold. oduct prior to selling. product to be not greater Date e is
returned to the I, the undersign [] proce [] be res than 0 License Holder (department prior to ed, will: ss said lot to be not g sponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv attached, and not the	greater than 0.3% Total Del g the buyer that processes IC in the final product. License Holder (significant completing this control of the document of the document of the document of the truthfulness, accuracy, or well as the final who signed the document of the docume	ta 9-THC in the final prosaid lot will produce a particular produce a partificate verifies only the nt to which this certificate validity of that document.	processed or sold. oduct prior to selling. oroduct to be not greater Date
returned to the I, the undersign [] proce [] be res than 0 License Holder (State of Montar County of Subscribed and	department prior to ed, will: ss said lot to be not g ponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv attached, and not the na sworn to (or affirmed	greater than 0.3% Total Del g the buyer that processes IC in the final product. License Holder (sign ther officer completing this conditional who signed the document truthfulness, accuracy, or very	ta 9-THC in the final prosaid lot will produce a particular produce a partificate verifies only the nt to which this certificate validity of that document.	processed or sold. oduct prior to selling. oroduct to be not greater Date
returned to the I, the undersign [] proce [] be res than C License Holder (State of Montar County of Subscribed and	department prior to ed, will: ss said lot to be not g sponsible for assuring 0.3% Total Delta 9-TH printed name) A notary public or o identity of the indiv attached, and not ti na sworn to (or affirmed	greater than 0.3% Total Del g the buyer that processes IC in the final product. License Holder (sign ther officer completing this conditional who signed the document truthfulness, accuracy, or very	ta 9-THC in the final prosaid lot will produce a protection of the final produce a protection of the final produce and the final produce and the final produce a protection of the final f	processed or sold. oduct prior to selling. product to be not greater Date e is , 20, by

9.11. MT Hemp Sample Results Corrective Action Plan letter

< <date>></date>	
A STROT NAME LACT NAME :	Linear Manufacture Attitude and Office the
< <first last="" name="">> <<business name="">></business></first>	License Number: MTSHP-< <license #="">></license>
< <address>></address>	
< <city, st="" zip="">></city,>	CERTIFIED MAIL #
	CERTIFIED MAIL#
RE: Corrective Action Plan - THC Analysis	Results for Hemp Sample Number: H
Dear < <first last="" name="">>,</first>	
Enclosed you will find the analytical result	ts for the official sample noted above. The sample was collected under
	's Interim Final Rule. Information related to the sample and the Lot(s)
it represents can be found in the enclosed	d Lab Report.
We are providing these analytical results	for your information. The Total Delta 9-THC percentage is above the
	outside the 0.5% safe-harbor range. As such, the referenced Lot is
	nt violation of the MT Hemp Plan. Three negligent violations in a 5-year
	rom the program. In order to meet marketable standards, the Lot must regulations prior to distribution of raw hemp plants and/or plant parts.
	not be processed, commingled, transported or sold until this issue is
	lude an appeal of the test results or submission of a proposed
Corrective Action Plan.	
An appeal requires written submission to	the Director of why you believe the test results are not accurate and a
	er's expense. A proposed Corrective Action Plan requires written
_	you will process the product so that its final Total Delta 9-THC a dry matter basis; or, include a plan on how you will legally dispose of
or destroy the hemp. Either option must	
	st include: the timeframe in which the plan will begin and end, a list of ess (e.g., extraction and legal disposal of THC), and the party(s)
	nitted to the department within 15-business days of receipt of this
	t either Andy Gray at (406) 444-0512, by email angray@mt.gov or Cort
Jensen at (406) 444-5402, by email <u>cojens</u>	sen@mt.gov.
Sincerely,	
Andy Gray	
Hemp Program Coordinator	
Enclosure: Bronosal for Correction/Dispo	osal/Destruction Form
criciosure. Proposarioi correction/Dispo	
Lab Report MT 2020 Hemp Plan: Form 10.11 - Corrective Actio	on Plan letter Ver 4/27/2020

9.12. MT Hemp Sample Results Disposal/Destruction letter

< <date>></date>	
A FIRST MANAGE LAST MANAGE.	Linear Name and ATTOLIN AND LOCKING No.
< <first last="" name="">></first>	License Number: MTSHP-< <license #="">></license>
< <business name="">> <<address>></address></business>	
< <city, st="" zip="">></city,>	
3011,21 2111	CERTIFIED MAIL #
RE: Disposal/Destruction - THC Analysis Results for I	Hemp Sample Number: H
Dear < <first last="" name="">>,</first>	
Enclosed you will find the analytical results for the o	fficial sample noted above. The sample was collected under
	inal Rule. Information related to the sample and the Lot(s) it
represents can be found in the enclosed Lab Report.	
We are providing these analytical results for your in	formation. The Total Delta 9-THC percentage is above the
	e 0.5% safe-harbor range. The test results are also greater
	e this product. As such, the referenced Lot is non-compliant
	of the MT Hemp Plan. Three negligent violations in a 5-year
	egram. Product from the referenced Lot(s) cannot be emp plants and plant parts from this Lot(s) must be legally
disposed of or destroyed and requires written appro	
unspecta of or destroyed sind requires invited appro-	To the department to do so.
An appeal requires written submission to the Director	or of why you believe the test results are not accurate and a
request of additional testing at the grower's expense	e. A Proposed Disposal/Destruction Plan requires written
	ally dispose of or destroy the hemp. Options depend on
whether the crop remains in the field or has been ha	rvested.
The Drawered Disperal (Destruction Plan sourt include	les the timefrance in which the plan will begin and and a list
	le: the timeframe in which the plan will begin and end, a list , incorporation into the field), and the party(s) involved. The
	within 15-business days of receipt of this letter. If you have
any questions, contact either Andy Gray at (406) 444	
(406) 444-5402, by email cojensen@mt.gov.	
Sincerely,	
Andy Cray	
Andy Gray Hemp Program Coordinator	
Tremp Trogram coordinator	
Enclosure: Proposed Correction/Disposal/Destruct	tion Plan Form
Disposal/Destruction Witness Statemen	
Lab Report	
MT 2020 Hemp Plan: Form 10.12 - Disposal/Destruction letter	Ver 4/27/20



Montana Hemp

Proposal for Correction/Disposal/Destruction Form

Written destruction plans are required to include the following information:

Licensee Name:		License Number:	MTSHP -		
Business Name:					
Lot ID:					
Quantity of Lot:	Quantity of Lot: (expressed in acres, sq. ft., pounds or number of plants)				
Variety or strain:					
Latitude/Longitude:	(original Lot location <u>and</u> location of d	lisposal/destruction)		
Timeframe:	Start date: Completion date:				
Method of Disposal/ Destruction:					
Party(s) Involved:					
Equipment Utilized:					

Proposed plans may be submitted by mail to Montana Department of Agriculture, Attn: Hemp Program, PO Box 200201, Helena, MT 59620. For assistance, contact Andy Gray by phone at (406) 444-0512 or by email at angray@mt.gov.

NOTE: Any disposal or destruction of hemp must be visually observed by an independent third party and requires a signed Hemp Disposal/Destruction Witness form be submitted to the department. The local sheriff's office must be notified of each disposal/destruction occurrence.

MT 2020 Hemp Plan: Form 10.13 - Proposal for Correction/Disposal/Destruction

Ver 4/9/2020

9.14. MT Hemp Corrective Action Plan template

{letterhead}							in, MT will process the raw product so that the derivative contains not more than 0.3% Total delta-9 THC and will assure the extracted THC is legally destroyed and disposed.
Corrective Action Plan: HEMP {template} Parties							The raw product can be transported in its present state to a licensed processing facility in Montana under conditions of this agreement. A copy of this Agreement must accompany the product in transport.
Montan extensio (USDA) product	(Grov a Hemp Pilot progra on of the 2014 farm and State (Montana s.	wer) is a licensed h am. The Montana bill hemp pilot pro b) laws, gyles and ro , as outlined below	emp grower (Lice Hemp Pilot Progra Igram. The pilot p Egulations regardi I, were collected b	ense Number am is operation or ogram need ing the produce by the Depar	ed under the	y with federal mp and hemp	This would count as a strike under the federal hemp plan as the total amount of THC is well above 0.3%, but it appears to have been inadvertent by the Grower. Law enforcement will be informed of the hot sample but will be advised that it has been mitigated under the state pilot program and no additional action is needed or recommended. Grower is reminded that state law requires the tracki of all sales by grower and prohibits selling propagatable hemp material to parties that do not have a state, federal, or tribal license to grow hemp. Limitations This consent agreement is not binding against changes and future actions through State or Federal law
and sen	t to the Department	Sample Number	nalytical Lab (Lab) Variety	Lot Number	Lot Size	Total delta-9 THC % (dry-matter basis)	rules, and regulations. Nor does this agreement in any way limit the ability of third parties to take actions against the grower for representations about the hemp crop. The latitude shown by the Department does not guarantee that other state, federal, or tribal authoriti will agree with the definitions and testing results of the Department of Agriculture.
facility (_ in	ove processed at, Montana) that				Acceptance or Appeal You may informally appeal and ask for a final administrative decision by writing the Department and requesting such a hearing, it will be scheduled within 14 days in front of the Director of the Department of Agriculture. You may formally appeal by writing the Department within ten days and requesting a hearing at which time the Department will issue the notice of the hearing. If you choose to accept and be bound by this consent agreement, you need to sign two copies and sen
facility (\rightarrow	_ in					You may informally appeal and ask for a final administrative decision by writing the Department and requesting such a hearing, it will be scheduled within 14 days in front of the Director of the Department of Agriculture. You may formally appeal by writing the Department within ten days and requesting a hearing at which time the Department will issue the notice of the hearing.
Agree The Depnature of question plant pa	There are no pendi	in in ing issues. the results of the and the proposed se state and/or fee	, Montana) that sample(s) are abo sale method, it is detail definition of	will remove ove 0.3% Tot s more likely hemp withou	all of the Ti al delta-9 T than not th out mitigati	HC. HC. Given the hat the crop in on. The crop or	You may informally appeal and ask for a final administrative decision by writing the Department and requesting such a hearing, it will be scheduled within 14 days in front of the Director of the Departmen of Agriculture. You may formally appeal by writing the Department within ten days and requesting a hearing at which time the Department will issue the notice of the hearing. If you choose to accept and be bound by this consent agreement, you need to sign two copies and sen
Agree The Depnature of question plant par Correction Any ble must be a non-p	There are no pendi ments partment finds that of hemp harvesting in would not pass the vector of the partment in a bove vector Plan. Inding or dilution of done at a licensed ropagative state. A	ing issues. the results of the and the proposed state and/or ferminoed lots compared to the proposed state and/or ferminoed lots compared to the products and the products must be supposed to the products and the products must be supposed to the products and the products are supposed to the products and the products are supposed to the pr	, Montana) that sample(s) are abo sale method, it is leral definition of annot be freely so a pursuit of lower rocessor facility.	ove 0.3% Tot s more likely t hemp with old as hemp ing the level Seed from s	all of the Ti tal delta-9 T than not th out mitigati without an of Total de aid lots mu	HC. Given the hat the crop in on. The crop or approved elta-9 THC %, at be rendered to	You may informally appeal and ask for a final administrative decision by writing the Department and requesting such a hearing, it will be scheduled within 14 days in front of the Director of the Department of Agriculture. You may formally appeal by writing the Department within ten days and requesting a hearing at which time the Department will issue the notice of the hearing. If you choose to accept and be bound by this consent agreement, you need to sign two copies and sen them back to the Department of Agriculture. We will then sign both and mail one back to you. [Grower] on Behalf of
Agree The Depnature of question plant par Correction Any ble must be a non-p	There are no pendi ments partment finds that of hemp harvesting in would not pass that's from the above we Action Plan. Inding or dilution of done at a licensed	ing issues. the results of the and the proposed state and/or ferminoed lots compared to the proposed state and/or ferminoed lots compared to the products and the products must be supposed to the products and the products must be supposed to the products and the products are supposed to the products and the products are supposed to the pr	, Montana) that sample(s) are abo sale method, it is leral definition of annot be freely so a pursuit of lower rocessor facility.	ove 0.3% Tot s more likely t hemp with old as hemp ing the level Seed from s	all of the Ti tal delta-9 T than not th out mitigati without an of Total de aid lots mu	HC. Given the hat the crop in on. The crop or approved elta-9 THC %, at be rendered to	You may informally appeal and ask for a final administrative decision by writing the Department and requesting such a hearing, it will be scheduled within 14 days in front of the Director of the Department of Agriculture. You may formally appeal by writing the Department within ten days and requesting a hearing at which time the Department will issue the notice of the hearing. If you choose to accept and be bound by this consent agreement, you need to sign two copies and sen them back to the Department of Agriculture. We will then sign both and mail one back to you. [Grower] on Behalf of

9.15. MT Hemp Disposal/Destruction Witness Statement



Montana Hemp Disposal/Destruction Witness Statement Form

Disposal/Destruction Witness Statement Form						
License Holder Name:	License Number:	MTSHP-				
Variety or strain:	Lot ID:					
Quantity and form of crop or product destroyed:						
Acknowledgment: This form represents a legal document for which civil or criminal liability may attach. By signing below, both Witness and License Holder assert the truth of statements and information provided.						
Any false statements or misrepresentatio	ons of material fact contained hereic	n shall constitute				

Any false statements or misrepresentations of material fact contained herein shall constitute perjury and may result in the imposition of a fine, imprisonment, or both.

Witness Name:			Date of Destruction:	
Witness' Signature:			Signature Date:	
Witness' Relationship	with Licensee:			
Statement (include n	ames of individu	als involved, metho	od of destruction, and o	uantity destroyed):

I attest the above information is accurate and truthful.						
License Holder Signature:		Date:				

MT 2020 Hemp Plan: Form 10.15 - Disposal/Destruction Witness Statement

Ver 4/8/2020